

Newspaper Promotions:
Saying It on Billboards

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Presstime

The Journal of the American Newspaper Publishers Association

Buyers Line Up To Land Weeklies

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presstime

INDEX

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AUGUST 1989

Special Report Long left to the publishing entrepreneur with a lot of energy and only a little cash, weekly newspapers today are getting a second glance from the major leaguers. Many large newspaper groups, in fact, have found that small community papers offer handsome profits on relatively small investments. Weeklies have something else to offer: growing circulation. With interest running so high, they are fetching higher prices in the media marketplace. But publishing a weekly is not without its problems and challenges. **20**

Roadside attractions Newspapers are spending more money on a competitive advertising medium for their promotions—billboards. **6**

Reaching out As the numbers of Hispanics have swelled, newspapers are increasingly trying to win their loyalty. **12**

Table manners Editors need to be more mindful of charts and tables lest they find themselves publishing "misinformation graphics." **15**

No vacancy Other industries are having trouble drawing crowds to conferences and seminars, but not so the newspaper business. **18**

Practical pondering New Directions for News, a newspaper think tank, is encouraging industry leaders to bring fresh ideas to stale problems. **28**

Essay: Weekly rewards Carol Parafenko Kozak talks about the woes and wonders of starting a small weekly newspaper. **31**

Profile: Bill Griffith This former circus impresario has found running a chain of weeklies in Wisconsin a barrel of fun—and money. **32**

JOAs under scrutiny ANPA tells Congress that most members support the Newspaper Preservation Act, and that the law is still needed. **34**

Kenaf mill in limbo A long-planned kenaf newsprint mill is on hold indefinitely because of the soft newsprint market. **46**

Payday trends A 1989 survey shows increases in the average base salaries for all top newspaper management positions. **50**

No optical illusion Rewritable optical disks are on the market offering newspapers vast, changeable storage capacity. **54**



Newspaper Billboards, p. 6



Weeklies, p. 20
(Cover photo by Peter Gridley.)



Serving Hispanics, p. 12

Advertisers index	63
Advertising	44
ANPA calendar	61
Chairman's corner	4
Circulation	48
Education	40
Employee relations	50

Government affairs	34
Letters	63
News-editorial	43
Newspaper business	62
Newsprint	46
Overset	64
Postal	42

Readership	45
Research	49
Speeches	60
State and local	42
Syndicates	43
Technology	54
Telecommunications	42

Give congressmen your views on telecommunications policy

You have been hearing quite a bit lately about telecommunications policy. First it should be said that the traditional newspaper product remains strong. Tremendous business opportunities, however, are emerging for newspapers and others to deliver information by telephone lines. Information providers in the future must make greater use of the local telephone network because that network is the only way to provide two-way rapid communication into most homes and offices.

ANPA continues to believe that the owners of these monopoly lines should not own or control the content that moves through their lines. In other words, the seven regional Bell operating companies should be encouraged to provide the means by which the greatest diversity of information can flow to the American people. That's in the public interest.

Secondly, the only "law" affecting electronic publishing today is the 1982 consent decree that broke up AT&T and prohibits BOC entry into the information-provider business. U.S. District Judge Harold H. Greene's decision prohibits local phone companies from having any financial interest in information traveling over their own local phone lines.

Thirdly, Congress is very interested in reasserting jurisdiction over the telecommunications policy. That makes good sense.

Now we are asking you to get involved. The newspaper business simply seeks a level playing field in the delivery of information over local phone lines. That can't happen if the monopoly owners of the phone lines are allowed to offer telephone-delivered content. New communications technology quickly will open entrepreneurial opportunities. The owners of the ball park, the BOCs, can and should open their gateways, promote them heavily, attract hundreds of independent content providers and have no reason to tilt the playing field in anyone's favor. Government regulation of the playing field simply won't work. By the time we get to Washington to complain or go to the courts or the Federal Communications Commission, the marketing game will be lost.

But let's not lose track of the fact that our relationship with the regional telephone companies is complex and evolving. They have been our close partners in the past and undoubtedly will be in the future. We in the newspaper business and others already are offering services via gateways they have deployed.

So I am asking each of you to meet with your elected congressional representatives. Let them know your views on phone company entry into electronic publishing and seek their support for a policy that keeps content and conduit separate. Do it now. Do it in person. And send us a report. ANPA's Legal and Government Affairs Department can provide you with any further background you may need.



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Weeklies Become A

Relatively low purchase prices, high rates of return and growing circulation

BY ROLF RYKKEN
presstime staff writer

In Ohio, the owners of six groups of weeklies have a standing order of their press association. Tell us about any weeklies up for sale.

Such instructions are commonplace in the newspaper business today, and they emanate from groups of dailies as well as weeklies.

Weekly newspapers, whose combined circulation has nearly doubled since 1970, have become the popular media purchase for many large newspaper groups searching for readers, for small weekly groups wanting to grow, and for investors looking for handsome profits on relatively small investments. Weeklies—the word is broadly applied to papers published no more than three times a week—are also probably the last avenue for the publishing entrepreneur with a little cash and a lot of energy.

About five years ago Bolitho Sterling Newspaper Service of Kansas City, Mo., broke down its brokerage sales of weeklies this way: 80 percent to individuals and those already owning a handful of papers, 20 percent to larger group owners. Now, reports Robert N. Bolitho, the ratio is 60:40.

Says L. Mark Stone, executive vice president of Henry Ansbacher Inc., a New York City-based investment banking firm that specializes in newspaper acquisitions, "We've got a lot more weekly deals on the books waiting to get done than we have had in the past. . . . There is a clear feeling that the level of activity and interest in weeklies is up considerably this year over last year. It's the highest we've seen."

Before casting their lines in the weekly pond, the buyers are baiting their hooks with traditional bank financing or in some cases with venture capital from investors who previously fished for large daily papers, radio stations and cable television outlets. "You can get in for \$2 million instead of \$22 million," says James P. Rutherford, vice president/media group for First Boston Corp. investment bankers.

With interest so high, weeklies are commanding higher prices in the media marketplace, according to Peter J. Campbell, an investment associate with Burr, Egan and Deleage venture capitalists of Boston and San Francisco. Concerned that the prices for weeklies will continue climbing, Campbell says, "Our goal is to get in early on."

Edwin W. Tucker, general manager of the New Jersey Press Association, can plainly see the higher level of acquisition activity among weeklies in his state. "These papers are being sought, and what you pay for them depends on how much you want them," he says. "I've had a number of inquiries on what's available. Before, the seller had to look for a buyer. Now, sellers have two

and three people they're dickering with."

Magazine Publisher Malcom S. Forbes Sr. and his son, Malcom S. Forbes Jr., are well aware of this. Their 2-year-old newspaper company had an agreement to purchase a small New Jersey weekly earlier this year in the town of Lambertville, but then three other bidders came in with higher offers and the eventual group buyer "paid an extremely high price," says the younger Forbes, chairman of Forbes Newspapers. "We scratched our heads and said, 'Why Lambertville?'" Answering his own question, he says it was because the chances for success in the weekly arena "are enormous."

Phillip J. Meek, president of the publishing group of Capital Cities/ABC inc., which acquired its first weeklies 10 years ago and now has 48, is puzzled by the sudden interest in weekly enterprises. In the right market, he says, they have always been good investments. "I don't see where there is anything changed," Meek says.

Weeklies, both paid-circulation and free-circulation, have become all the rage because:

- There are nearly five times as many weeklies as dailies—7,606 versus 1,643 as of the end of last year. Moreover, far more of the weeklies are independently owned and thus more susceptible to acquisition. There are just 400 independent dailies left in the United States. But the National Newspaper Association, which represents many weekly and some small-daily papers, estimates there may be as many as 2,500 independent weeklies.

- Dailies can cost as much as four to five times annual gross revenues. The formula for weeklies is about half that.

- Weeklies can be lucrative. Depending on the market, profits of from 20 percent to 30 percent are possible. Especially desirable are suburban weeklies.

- They're popular—with readers seeking the minutia of neighborhood news, and with advertisers looking for affordable space.

- They're the last hope for the would-be publisher who is willing to apply personal savings to the purchase of so-called desktop-publishing equipment—personal computers and a laser printer—to launch a newspaper.

- Some larger weeklies have the potential to go daily. This step can significantly increase revenues and equity.

Weeklies have something else to offer: growing circulation.

Unlike daily papers, whose total circulation has been virtually stagnant for many years, weekly newspaper circulation has been escalating. Since 1960 it has climbed 152 percent, while that



Sought-After Catch

are attracting all kinds of investors—from big groups to small entrepreneurs

of dailies increased just 6.9 percent.

A major reason for this growth is the strong pull of a weekly newspaper's chief asset—truly local news that is often clipped out of the paper, stuck to the refrigerator door with a magnet and eventually placed in a scrapbook for posterity.

Large and medium-size dailies simply aren't as adept as weeklies at providing detailed local coverage, says Gary Hurt, president of Hurt Publishing Co. in Bellvue, Ohio, which owns nine weeklies. "They don't seem to grasp that market as well. Thank goodness," he says.

"I think [he's] right," responds Jack Driscoll, editor of The Boston Globe, which like many big-city dailies faces intense competition from pesky suburban weeklies as well as some suburban dailies. "Even the suburban dailies can't match the weeklies in their own communities," Driscoll asserts.

But while weeklies may be becoming hot properties, they are not without problems and challenges.

Many are feeling the effects of the same thing that ails other media—competition for readers' time and advertisers' money.

Some strain to attract or retain reporters and advertising salespeople, drawn as they are to larger markets where better salaries and greater career opportunities may be found.

And in smaller towns, weekly editors sometimes have to perform a delicate balancing act between editorial integrity and advertising necessity.

Despite these drawbacks, though, weeklies continue to be alluring—even for those who thought they had bade farewell to the newspaper business.

In 1978, Bill Griffith and his wife, Dolores, sold their four weeklies and two advertising shoppers near Madison, Wis., for a healthy price, and retired. But after five years of retirement "boredom," they re-entered the field and now have a new string of 13 weeklies. "And we're small potatoes in the weekly business," Griffith says. (See profile, p. 32.)

THE BUYERS. Joining Griffith in the weekly market are other small intra-state or regional weekly newspaper groups, the budding entrepreneur and the major leaguers—the large media companies. (See chart, p. 22).

Some of the most active big buyers include Gannett Co., Ingersoll Publications Co., Harte-Hanks Communications Inc. and Hollinger Inc. The latter company, based in Toronto and headed by media mogul Conrad Black, has amassed 105 U.S. weeklies and 31 Canadian weeklies in less than three years.

Other buyers include smaller groups such as Bee Newspapers of suburban Buffalo, Bee Publishing Co. of Newtown, Conn., Taylor (Texas) Newspapers Inc. and News Publishing Co. of Rome, Ga., and investors from such firms as Butcher Direct Investments of Philadelphia and Burr, Egan and Deleage.

As a rule, buyers are paying higher prices today than two years ago, says Charles J. Carey, assistant vice president for Henry Ansbacher Inc. The number of weeklies sold for more than \$1 million rose from nine in 1987 to 13 in 1988, he says, and a further increase is likely this year.

Generally, industry observers say, the rule of thumb is for a weekly to sell at a multiple of 1-to-1½-times its annual gross revenues.

This was the case with the sale in April of Flushing (N.Y.) Tribune Inc., a group of six weeklies, which was sold for \$2.8 million by Gary Ackerman and Michael Schenkler to News Communications Inc. of New York City. The papers' 1988 revenues were \$1.7 million.

But lately, depending on the economics of a particular region and the potential for growth, some buyers have been paying twice gross revenues, or even more. According to the Ansbacher firm, it represented Mariner Newspapers of suburban Boston in a sale last March to Capital Cities/ABC Inc. for about twice gross revenues. The exact selling price for the 18 weeklies was not disclosed.

If someone wants a weekly or group of them badly enough, he or she will pay what is necessary, "especially if the area is really moving," says W.J. Brehm, chairman and president of Brehm



Special Report

Communications Inc. in Rancho Bernado, Calif., which publishes 30 weeklies and five small dailies.

If a for-sale weekly is in an area that is suffering economic woes, such as the oil-producing states of Texas and Louisiana, or in an area that is losing population as are some central and mountain states, it might go begging for bidders, reports broker Bolitho. Bright spots, he says, can be found in eastern, western and southeastern states.

For investment advisor Campbell, his bright spot is California. He says his firm intends to invest about \$2 million to \$5 million in each of two weeklies it purchased there about two years ago. His company, Burr, Egan and Deleage, may invest as much as \$20 million to expand its holdings of weeklies over the next several years.

Burr, Egan and Deleage is one of the companies that gravitated toward weekly purchases as prices soared for other media like radio, cable television and broadcast television. Another is Butcher Direct Investments, whose two weeklies, purchased last year in the South, are its first.

What has confounded Butcher Vice President Howard E. Verlin is a persistent "lack of respect" for weeklies as investment opportunities. "But when you can pay 2 to 3 times gross revenues for a weekly instead of the 4 to 5 times gross you would for a daily, and you achieve the same profit margin, I'm not sure I see the difference," he says, adding, "A dollar is a dollar."

Verlin says the belittling attitude among some investors and buyers is changing. "Other venture capitalists have expressed an interest about getting into the field," he says. "It doesn't take much. If one or two people do well, I feel a lot of others will want to get into it."

The buyers, big and small, are pursuing each permutation of the weekly newspaper: paid weeklies that dominate their markets, groups of suburban weeklies that ring big metropolitan areas and give the metro dailies competitive headaches; county-seat

weeklies that have the potential to be converted to dailies, significantly increasing their financial potential; and neighboring weeklies whose coalescing would give a common owner wider audience reach for regional and even national advertisers.

Here are some examples of recent purchases, large and small:

- Ingersoll purchased 80 percent of Chanry Communications Ltd. of Farmingdale, N.Y., in 1987. Two months ago Chanry upgraded its 80 free newspapers and now devotes 35 percent of their content to local news. Being published under the common name of This Week, the papers claim a combined circulation of 1.1 million and are challenging Long Island's dominant daily, Newsday, for news and advertising.

- Adams Communications Corp., a Minneapolis publisher of 10 consumer magazines, purchased two weeklies in suburban Detroit and two in Southern California in 1988, in addition to starting one in Southern California.

- Chicago Sun-Times Inc. has emerged as a major publisher of weeklies in the Chicago suburbs. Last January the company that publishes the Chicago Sun-Times bought the 39-member Pioneer Press group and a month later started four other weeklies in suburban Chicago. It also owns Star Publications, publisher of 18 suburban Chicago semiweeklies.

- Last year, News Publishing Co. in north Georgia acquired The Cedartown (Ga.) Standard, a weekly. The company's media mix now consists of five weeklies, seven shoppers and one daily.

- Guy Gannett Publishing Co., owner of several news outlets in Maine including the Portland dailies, in 1987 purchased Minnesota Suburban Publications and its 27 community weeklies in the Minneapolis area. (See map, facing page.)

- Forbes Inc., publisher of Forbes magazine, purchased the eight-member Somerset Newspapers weekly group in Somerville, N.J., in 1986, and started two other weeklies by late 1988 when the group was named Forbes Newspapers. This year it launched its 11th weekly.

These high-level deals notwithstanding, industry observers say there's still a place in the weekly newspaper business for the little guy. States such as New York, New Jersey and Florida have seen the number of weeklies increase in 10 years, according to their state press associations, who credit the growth in part to spurts of entrepreneurial activity [prestime, June 1989, p. 24].

Florida, for example, now has 150 weeklies, 30 more than 10 years ago, according to Richard D. Shelton, manager of the Florida Press Association. "Desktop publishing has liberated the (weekly) business," he says.

Five of six weekly startups in West Virginia over the past five years were desktop operations, says William F. Childress, executive director of that state's press association.

A person can enter the field by spending \$12,000 for two PCs and a plain-paper printer, Childress says, in contrast to the \$45,000-plus that conventional phototypesetting equipment would cost. One study concluded that the desktop operator can also save \$20,000 in materials and 25 percent in labor costs, he says.

"The only entry level left for the entrepreneurial person—unless he has very deep pockets—is at this (desktop publishing) level," says Richard D. Sanford, president of Catskill Mountain Publishing Corp. in Cobleskill, N.Y., which publishes four weeklies.

Sanford says that's probably how he would enter the weekly business today were he not already running his family-owned operation. "Today it makes more sense for a young entrepreneur to start up a paper" rather than buy an existing one, he says. He advises, "Find a market that's not well-served by a daily or weekly and start it."

Number of Weeklies Owned By Major Daily Newspaper Groups

As of:	Dec. 31, 1970	June 1, 1989
Gannett Co.	12 ⁽¹⁾	35
Knight-Ridder Inc.	6	2
Tribune Co.	n/a	12
Dow Jones & Co.	0	8
Thomson Corp. (Canada)	13	12
(United States)	2	24
The New York Times Co.	0	9
Scripps Howard	0	13
The Hearst Corp.	n/a	3
MediaNews Group	n/a ⁽²⁾	17
Ingersoll Publications Co.	n/a	150
Freedom Newspapers Inc.	0	1
Capital Cities/ABC Inc.	2	48
Donrey Media Group	n/a	73
The Copley Press Inc.	20 ^(ext.)	35

⁽¹⁾1969 figure

⁽²⁾company founded after 1970

Note: Of the 20 largest newspaper groups in terms of U.S. daily circulation, the following own no weeklies: Newhouse Newspapers, The Times Mirror Co., Cox Enterprises Inc., News America Publishing Inc., Central Newspapers Inc. and The Washington Post Co.

THE WEEKLY NICHE. The weekly newspaper has been the one constant in U.S. journalism since the first one began coming out regularly in 1704—14 years after the first colonial newspaper, *Publick Occurrences Both Foreign and Domestic*, was suppressed by government authorities after its inaugural edition. (The first U.S. daily didn't appear until 1775—after converting from tri-weekly.)

Early U.S. weeklies took hold in rural areas when printers who trained in one town moved on to another and set up their own papers, often with the financial and moral encouragement of their previous publishers. Frank Luther Mott wrote in *American Journalism*. By 1870 the number of U.S. weeklies had grown to 4,000, and it peaked at 14,500 in 1914, according to Mott. After that the number began declining because of failures and consolidations.

Through their history, weekly newspapers have adhered to similar editorial formulas, Mott wrote. The crime and scandal journalism of big-city dailies has been eschewed in favor of "more kindly and matter-of-fact (reporting) of social events, community enterprises, crops, visiting, sickness, births, weddings and deaths."

And local news remains the weeklies' bread and butter.

"Weeklies have this unique place in the market," says Hamilton W. Meserve, president of the New York Press Association and owner and co-publisher of the Taconic Press, a group of eight weeklies in Dutchess County, N.Y. "As long as they cover their communities, they're untouchable. The dailies don't have the resources to cover the small towns," he says. "As long as you do that and do it well, you're pretty safe from attack. That's the niche we have to jealously guard."

Readers often consider weeklies an important part of their lives, comments Lee Canning, vice president of Minnesota Suburban Newspapers. "They say, 'It's our paper,' and that's not an unexpected development if you provide a sound news product because you're covering events that are very close to the average citizen," he notes.

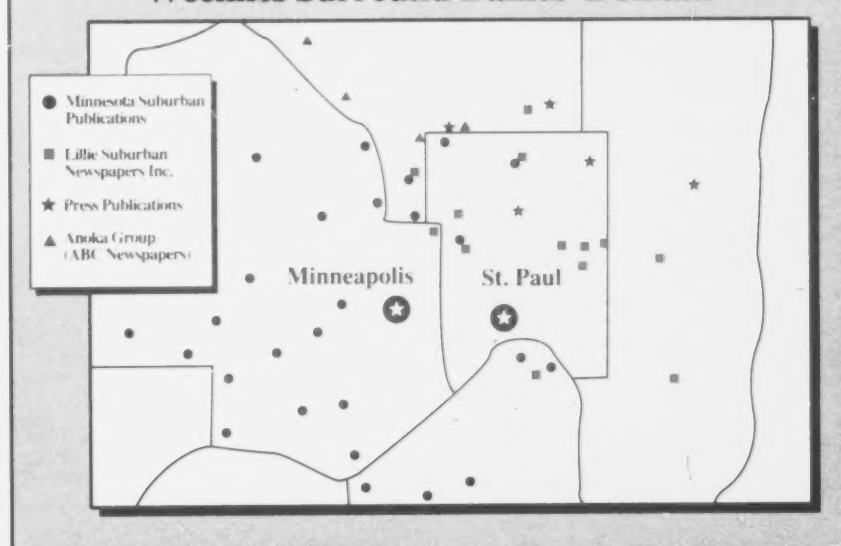
Investment associate Campbell describes the weekly niche of "pure local news" as being attractive to readers and, consequently, to advertisers. As he travels nationally, Campbell reads the local papers and keeps his eyes open for acquisition prospects. "Sometimes it's hard to tell the dailies apart" from one city to another, he says. "You do (see a difference) with the weeklies. You get a sense of the community."

That "community" may be suburban, within a reasonable commute of a major metropolis, or it may be rural, where the tallest building for miles around is a grain silo.

On the surface, there would seem to be a world of difference between these two kinds of weeklies. The suburban paper would be inclined to focus on growth-related problems such as increasing development, growing traffic congestion, spreading crime and overcrowding of schools. The county seat or country weekly would tend to report the milestones in peoples' lives—births, weddings, social comings and goings, deaths, box scores of local sports contests—plus local government news.

But whether the coverage area is metropolitan subdivisions

Weeklies Surround Dailies' Domain



One of the many metro areas encircled by suburban weeklies is Minneapolis-St. Paul. Four different groups publish 48 weeklies there.

or sparsely settled hinterlands, "There is not a whole lot of difference between the two" kinds of weeklies, says Thomas F. Bradlee, president of the National Newspaper Association and president of Chesapeake Publishing Corp. in Elkton, Md. Bradlee, whose company publishes 24 weeklies and two dailies, says the weeklies' major purpose is to cover the news closest to home.

No national readership surveys have been conducted about weeklies, but the Newspaper Advertising Bureau has attempted to find out how much they are read by people who buy daily newspapers.

In a 1987 study, NAB found that 39 percent of daily newspaper readers had read a paid-circulation weekly in the previous week, while 55 percent of those with access to a free weekly said they read or at least looked at one.

The Consumer Data Service of the Oklahoma Press Association conducted readership surveys for five state press associations in addition to its own during the past two years. The results indicated a fairly wide range for weeklies' readership: from 32 percent of those surveyed in Oklahoma (excluding Tulsa and Oklahoma City) to 61 percent in Minnesota (excluding Minneapolis and St. Paul).

Industry observers say weeklies are popular with many advertisers because they pinpoint smaller audience segments and because they usually offer lower advertising rates than dailies do.

In 1987 a New Jersey daily, *The Record of Hackensack*, decided to determine how much its display advertisers were also buying space in weekly papers. *The Record* found that its advertisers use weeklies and shoppers 67 percent of the time—almost as often as they do the daily (73 percent).

The survey confirmed the "crossover" use by small advertisers of both kinds of newspapers, says Edward Efbach, manager/research and planning for *The Record*. "Looking

Special Report

across [other] markets, you'll find that the weekly is a big player" for advertising, he says.

Some daily publishers are still inclined to disregard weeklies as competitors for readers and advertisers, but they do so at their peril, warns G. Scott Christman, vice president of sales and marketing for Long Island's Chanry Communications. "If we had a product that wasn't read, we'd be out of business," he says. "Advertisers wouldn't stay with us if we didn't work."

PUBLISHING PROBLEMS. Some weeklies and advertisers can have a curious relationship, says Burgett H. Mooney III, president of News Publishing Co. of Rome, Ga.

"The biggest surprise when you go into weeklies is the amount of influence the advertiser tends to wield. They don't do that with the daily," says Mooney, whose company owns both kinds of publications. "The independently owned weekly is under tremendous pressure. He [the publisher] can look at his books and see maybe three people who are paying his way. . . . So he has to be real careful about" possibly offending key advertisers.

"I don't know why everyone thinks weeklies have it easy," Mooney says.

Similarly, George J. Measer, publisher of the 11-member Bee Group Newspapers in the Buffalo area, comments, "Some people see running a weekly as looking out the window watching the cows munch on the grass. It isn't so. In the suburbs you're dealing with the dailies, the shoppers, the TMCs [total-market-coverage publications], and radio and TV . . . and you're always turning over sales and editorial people."

Generally, says Meserve of The Taconic Press in New York

state, weeklies ought "to be upbeat and positive about the community. People get enough bad news from the dailies and television, so they expect the weekly to be supportive."

But he also asserts, "You have to keep your powder dry." Meserve's group chose to fight one recent battle and, as a result, lost legal advertising from a school district. The newspapers editorially supported a federally subsidized housing project that was being opposed by school officials. "You have to be prepared to [take a stand]—just not every week," Meserve says.

A number of weekly newspapers have had a long history of editorial courage—and have paid a price. One well-publicized episode earlier this year was the firebombing of The Riverdale [N.Y.] Press. The attack was widely believed to be in retaliation for an editorial critical of bookstores that yanked from their shelves copies of the controversial novel *The Satanic Verses*.

Yet the image held by many journalism students—that of the old-fashioned weekly produced by one person wearing a green eyeshade and writing about the local crop forecast—seems to linger on, say Meserve and others.

Few journalism students look upon weeklies as a desirable place to start their careers, says Garrett W. Ray, a former weekly editor and now associate professor of journalism at Colorado State University. "Most want to start on the big dailies, and that's not a realistic expectation," he observes.

When recent graduates consider jobs in the newsrooms or advertising departments at weeklies, it is usually at papers published in the suburbs, says Leonard W. Lanfranco, executive director of the Oregon Newspaper Publishers Association and past chairman of NNA's Journalism Education Committee. A

This Fast-Growing Suburb of Washington, D.C., Supports

BY CHRISTOPHER M. CHANGERY

In the midst of the explosive suburban development around Washington, D.C., is a former farming town centered around a historic rail depot that hasn't seen a train in 21 years.

And while Herndon, Va., clings to its century-old heritage, it was recently identified by The Wall Street Journal as the fourth fastest-growing area in the United States. It is also one of the most competitive towns in America from the standpoint of community journalism.

Herndon—an incorporated town of 15,030 and surrounding areas with a Herndon postal address that swell the population to 50,000—has four free-circulation newspapers that concentrate on local news.

In response to the obvious question—What is it about Herndon that leads four different companies to publish papers there?—newspaper

executives cite the town's rapid growth and the fact that, unlike most other communities in the region, it has its own, news-generating government.

The growth has attracted numerous merchants who find the weekly and biweekly local papers a more efficient way to advertise than the dailies that circulate in the town—The Washington Post, The Washington Times and The Fairfax Journal.

And as the town expands, so has the sense of community among its residents, says Kate McKenna, editor-in-chief of a group of papers that includes the Reston/Herndon Gazette. She explains that the surge in residential and commercial development has inspired citizens to bond together in an effort to maintain some sort of cohesive identity.

McKenna says it was the dailies' inattention to Herndon news that opened the door for the non-dailies. In April her paper became the latest to pass through that door.

This craving for more local coverage was the reason Peggy D. Vetter started The Herndon Observer, the town's oldest paper, in 1976. She went to



Christopher M. Changery

town hall meetings and heard the laments of council members who said there was no way to communicate with citizens. When an important issue came up, garbage collectors were asked

Changery, a rising senior at Duke University in Durham, N.C., is a summer intern at presstime.



Webster Hawkins, publisher of the Osawatimie (Kan.) Graphic, oversees what he calls an old-time country weekly.



In contrast to Osawatimie, there is nothing "old time" about the Ingersoll-owned Suburban Journals that ring St. Louis.

Four Free Weeklies That Stress 'Local, Local, Local' News

to deliver fliers to every house.

Vetter says the Observer began as a biweekly with herself as the only staff member and just two regular advertisers. The paper, which went weekly in 1981, now has a circulation of about 17,000, she says.

What kind of coverage do the residents get now from their weeklies? "It's what I call local, local, local," says Peter M. Arundel, vice president/general manager of the Fairfax Division of Arundel Newspapers, which includes The Herndon Times.

While its three competitors have tabloid formats, the 15,985-circulation, weekly Times, now in its sixth year of publication, is a broadsheet. Arundel says the emphasis is on hard news, and the paper's editorial strategy is "continued commitment to probe deeper into the community. With that we will grow."

Commitment to the local community is also important to Tom Grubisich, publisher and editor of The Connection of Herndon, part of another group of suburban weeklies. He says the first time The Connection

began circulating in Herndon the paper had to "pull back" because it could not afford to provide the breadth of local coverage people demanded.

On the second try, in 1986, The Connection had the wherewithal to cover Herndon "in a very physical way," opening an office there, Grubisich says. Herndon circulation of the paper now stands at 8,200.

McKenna says that even with The Herndon Observer, The Herndon Times and The Connection on the scene, The Gazette received a warm welcome this year when it became the "freshest face in Herndon."

"People were excited about the new paper," she recalls. "They said, 'There is so much that isn't covered.' The response was very good."

The Gazette was recently purchased by Atlantic Publishing Inc. of Cincinnati, which also publishes the Northern Virginia Sun of Arlington, and McKenna says she believes changes will be coming to The Gazette.

Unlike its three competitors, which are published weekly and home-delivered, The Gazette comes out once every two weeks and is bulk-delivered

to stores for pickup by shoppers. It claims a circulation of about 10,000.

McKenna says the paper compensates for its less-frequent publication schedule by writing features about local events that go beyond the obvious news angle and obtain a larger shelf life.

Another difference is that the same edition of The Gazette serves the next-door town of Reston, Va. Arundel Newspapers and the Connection Group publish separate editions for Reston, and The Herndon Observer has only a minor presence there.

Views on who is on top in Herndon vary in predictable fashion.

Arundel says the Times is "very strongly" holding its own on the editorial and advertising fronts and is "waiting to see who shakes out." Grubisich calls The Connection "the dominant paper in Herndon." At The Gazette, McKenna says, "We are going head-to-head" with the competition. And Vetter says the Observer is continuing to do what it has done for 14 years: give Herndon residents the nitty-gritty details of what's happening in their hometown.

suburban weekly can be viewed as a steppingstone to a metro daily, he says, adding that the suburbs offer a lifestyle that young applicants might find more appealing than that of a remote village.

Weekly newspapers employed just 5.6 percent of the 1988 journalism school graduates, according to Lee Becker, professor of journalism at the Ohio State University School of Journalism, which annually conducts a survey of J-graduates for the Dow Jones Newspaper Fund.

According to Becker's study, weeklies paid the newly graduated journalism majors about \$275 a week, up from the \$249 in 1987. By comparison, daily newspapers paid starting salaries of \$325 a week last year, up from about \$265 in 1987 [presstime, June 1989, p. 70].

The Taconic Press' Meserve took an unorthodox approach

to the compensation problem. He bought an old rooming house in well-to-do Dutchess County to serve as a low-rent apartment dwelling for four editorial and advertising staff members right out of school.

But some weeklies believe that their compensation woes, while serious, are less pressing than the general readership difficulties that face the entire industry. Like their counterparts in daily newspapering, weeklies are in a struggle to win the time and attention of an increasingly busy general public.

W.W. Anderson, president of Forbes Newspapers, points out that while a free weekly can claim 100-percent household penetration because of its saturation distribution, there is no guarantee that everyone sits down to read the paper.

Anderson calls this the "Yuppie problem." He says, "We've got people in townhouses and condominiums, they don't even

America's Heartbeat Is Heard at Rural Weeklies

BY MIKE FEINSILBER

A Texas teenager getting ready for the Junior Livestock Show had some thoughts about petulant porkers. "Raising a pig is good fun, but how much fun depends on the mood of the pig," Jenny Haley told the Anvil Herald of Hondo.

A great-grandmother in West Virginia, egged on by a granddaughter-in-law, finally got around to earning a high school diploma. "I dreaded math the most," Dorothy Johns, 71, of Gay, W.Va., told the Ravenswood News.

So it goes in the American countryside. While Washington concerns itself with the national debt and nuclear waste disposal, the topic of the Tri-State Cow-Calf Symposium at Haigler, Neb., was closer to home—"Producing the Cow of The Future Today."

There are things to learn about the state of the nation from America's 7,498 weeklies—things you won't find in the Congressional Record.

Sure, there's some bad news:

The taxpayers of Clinton County, Mo., may be stuck with the \$20,000 medical bill resulting from the amputation of both legs of a suspect who escaped from the county jail and suffered severe frostbite while at large, says the Lawson Review.

The Osawatimie (Kan.) Graphic worries that Osawatimie's reputation as a railroad town may be slipping; the Union Pacific is thinking about routing even fewer trains through town.

But for all that, the weeklies report the

news that tells you the heart of America is still ticking. Important news, because, after all, doesn't everyone come from a small town, or think he did, or wish he had?

In that case, here's some of the news from back home:

Wallace Wyatt Jr. promised that if he were elected probate judge of St. Clair County, Ala., he would eat a super-hot barbecue sandwich at Smitty's Barb-B-Que in Odenville, Ala. He was, so he did. "He said he wouldn't do it again for \$500, and it wasn't something he'd wish on anyone, even a Republican," said the St. Clair News-Aegis.

Working on a master's degree, Melanie Reid of Due West, S.C., researched the history of the Opera House which opened in Abbeville, S.C., in 1908 and put the lie to some local legends. No evidence at all, she told the Abbeville Press and Banner, that Jimmy Durante, Sarah Bernhardt or the Ziegfeld Follies ever performed there.

In Oconomowoc, Wis., high school football player Rich Andrus was successfully recruited by the University of Wisconsin. Head coach Don Morton and an assistant called on him on the first day home visits were permitted. Exactly when did they arrive? At "12:01 a.m.," Andrus told the Oconomowoc Enterprise. He said such tenacity was "pretty impressive."

The Garden Club of Stamford, Texas, celebrated the 100th anniversary of Texas Arbor Day by planting two pecan trees on the west side of Post Office Square as a memorial to Mrs. A.C. Denson, longtime member of the club "who, had she lived another month, would also have been 100 years old," the Stamford American said.

Sheriff's Deputy Emie Booth was assigned as the law enforcement officer for Millard, Juab and Beaver counties of

Utah's West Desert. He has what Millard County Sheriff Ed Phillips called "the largest beat in the United States"—3,000 square miles. Almost triple the size of Rhode Island, it has a population of 500 to 600. Booth told the Millard County Chronicle Progress: "Basically I'm pretty well-qualified. I can ride a horse dang near anywhere. I rodeo a lot. I still ride bulls occasionally and I've team-roped. I know cattle."

The Manchester-Coffee County Beautification Association of Tennessee established a Litter Hotline for citizens to report the license numbers of people who toss trash from their vehicles. People who are turned in get a warning letter and a litter bag in the mail, the Tullahoma News reported.

In a letter to the editor of the Horton (Kan.) Headlight, Donna Hoffman protested a proposal discussed by the commissioners to kill stray cats. She wrote that cats help control the mice and rat population. "Imagine what it would be like with no cats to catch and kill these rodents! What's next? A rat ordinance?"

The conditions of the restrooms at Duran Junior High came up at a meeting of the Pell City Board of Education in Alabama. The problems—overcrowding, a lack of privacy and the urinals in the boys' room were so high the boys couldn't use them.

One angry father said he understood that if a boy was tardy because he had to wait to use the restroom he might get a paddling when he finally reached class.

The St. Clair News-Aegis quoted the father: "I'll tell you this, if my child comes home and says he got a paddling because he was held up in the bathroom, I'm going to come here and see some folks."

Feinsilber is a Washington, D.C.-based reporter for the Associated Press. This article is excerpted from one he wrote this year for the AP.

know where they live. It's hard to get them to read, to get them interested."

To counter this, Forbes Newspapers is conducting readership surveys to determine the interests of people it serves.

Some problems can be beyond a weekly's control. Nick Payton, editor and publisher of the Union County Leader in Clayton, N.M., says his area has been suffering a population drop for a decade. Fortunately, its farming and ranching economy is in an "up" cycle at the moment, and stores previously abandoned by national chains are being occupied by smaller, regional ones. Still, advertising linage is down, and Payton has reduced the size of the Leader's average edition from 24 pages to 18.

"We're not facing anything that other rural papers aren't facing," he says.

These kinds of problems have contributed to a general decline in the number of U.S. weeklies for much of this century.

More than 7,000 titles disappeared between 1914 and 1970, when the total stood at 7,612. David C. Simonson, NNA executive vice president, says the closures are largely attributable to consolidations, where a publisher buys out a competitor and combines operations.

For the past two decades the number of weeklies has held steady, with startups just about canceling out shutdowns. Publishers' Auxiliary, an NNA biweekly trade publication, began tracking such events in 1982, when 85 weekly papers began publishing and 71 stopped. Last year there were 71 startups and 41 closures, the publication reported.

Suburban weeklies account for a big chunk of the startup category. James D. Elsener, executive director of the Suburban Newspaper Association, says there were about 700 suburban weeklies in 1970, compared with more than 1,700 today.

DAILIES VERSUS WEEKLIES. As weeklies, especially the suburban variety, have prospered, many daily newspapers have stopped ignoring the competitive threat they pose.

The Boston Globe, for example, earlier this year started a 30-page zoned section serving 43 communities in South Boston called South Weekly. Editor Driscoll says the Globe over the next two years will begin cranking out similar sections for other suburban areas.

"This is a way for us to get more local news in the paper," he says. "I don't think this can approach what the weeklies are doing, but this is an effort on our part to reach into this level of coverage."

Driscoll sees news coverage of places outside major cities as breaking down into three distinct levels. One level is handled by the metro papers that skim the surface looking for the large, telling stories, another level is handled by the suburban dailies that provide slightly greater depth, and the third level is what the weeklies do.

This third level, says Canning of Minnesota Suburban Newspapers, is about the local hum-drum: traffic lights and scholarship winners and Little League box scores—things that dailies would likely consider too routine to report. But the people who drive through those intersections, who win the scholarships, who go 3 for 4 in the baseball game do not regard such happenings as routine.

Canning says the continuing suburbanization of America works in the weeklies' favor. "As a metro area grows," he notes, "it becomes extremely difficult for a metro daily to cover individual communities. We have 100 different municipalities in the Minneapolis area. . . . That means there are opportunities (for us)."

The Star Tribune of Minneapolis is keenly aware of this situation, says Joel Kramer, executive editor and senior vice president for strategic planning. "We view our coverage as serving the needs from the world to the community level," he says. "But clearly we can't serve very local community news as weeklies do. We don't try. . . . We do try to select stories of interest to communities . . . to show trends in the schools and zoning."

The Star Tribune's six weekly zoned sections are dominated more by listings of local events, such as service club meetings and church dinners, than by hard news, he says.

In St. Louis, Publisher Nicholas G. Penniman IV of the Post-Dispatch says much the same thing. The larger community stories—political corruption, growth issues—will be covered by his paper, "but not every single Lions Club meeting" in the metropolitan area.

The Post-Dispatch is experiencing intense competition from a 43-member group of free weeklies, Suburban Newspapers of Greater St. Louis, owned by Ingersoll Publications (which also intends to start a paid daily, the St. Louis Sun, in September). Nancy Miller, suburban editor of the Post-Dispatch, says the paper has attempted to combat the weeklies by putting out six geographically zoned editions—one five days a week and each of the others twice weekly.

Says Penniman, "We've wrestled with the question of whether the daily can become even more local. But weeklies tend to be advertising-driven, and they can change their distribution pattern to suit changes in the market. . . . A metro daily can't. It doesn't have that flexibility. . . . This makes demands on the daily strong because we have to appeal to broad segments of the readership."

Penniman can see both sides of the issue. He is also senior vice president of newspaper operations of Pulitzer Co. and thus oversees Lerner Newspapers, a string of 10 suburban Chicago weeklies Pulitzer bought in 1986. From that vantage point he makes the observation that "all things are possible in the weekly business."

One possibility is to convert a weekly (or semiweekly or triweekly) paper to a daily schedule, which occurs at a rate of about nine papers per year. Such a huge step depends heavily on local economic trends and market potential, and it must be studied thoroughly [*presstime*, Dec. 1985, p. 24].

For papers that shed their weekly status, the trick is to hang onto the local orientation and closeness that readers find so beguiling.

"We'll be a community daily now," says Bradlee of Chesapeake Publishing in Maryland, which this month is converting The Cecil Whig of Elkton, a semiweekly, to five times a week. "It would be foolish to jeopardize its [weekly] character," he says.

A weekly that goes daily should remain 100-percent local in news content, asserts Robert J. Rossi, vice president for newspapers at Park Communications Inc. of Ithaca, N.Y., which has orchestrated such a move 11 times in the last 14 years. In fact, the company's chief criterion in acquiring a weekly is its prospect of coming out every day. Currently Park owns 35 weeklies and 41 dailies.

Yet the vast majority of weekly publishers seem content with their more leisurely publication schedules.

Hurt Publishing in Ohio says he has no intention of converting any of his nine weeklies to dailies. "I don't want to complicate my life and screw up a good weekly," he says. □

Summer intern Christopher M. Changery contributed to this article.

Single-copy sales have clout

BY CRAIG C. STANDEN

Single-copy sales are becoming more important to newspapers of all sizes.

In the Newspaper Advertising Bureau's most recent readership study (1987), we found that 25 percent of American adults buy a single copy of a newspaper from a store, newsstand or vending machine sometime during the week, and 35 percent buy a Sunday paper that way. By circulation, the percentage of adults who are single-copy buyers looks like this:

Newspaper circulation	Weekdays	Sundays
Under 25,000	21%	25%
25-50,000	26	33
50-100,000	32	36
100-250,000	27	42
Over 250,000	37	44

Of course, because many single-copy buyers don't buy a paper every day, these are not the percentages of total circulation accounted for by single-copy sales. But they do account for a large—and growing—part of our total circulation.

However, some advertisers believe that single-copy buyers are less desirable than subscribers as customers, or that a paper bought by the single copy isn't as frequently used as a shopping aid, or that street sales substantially duplicate subscription sales.

To find out more about single-copy buyers, the bureau in 1988 commissioned a special study conducted in six major cities in various parts of the United States. In each of these million-plus-population markets, 200 randomly sampled single-copy buyers were interviewed.

Ninety-one percent of the single-copy buyers interviewed said the newspaper they bought was also available via subscription. But they said they preferred to buy the paper when they want it rather than subscribe. Here are some of their reasons:

I buy it when I like	30%
It's more convenient	21
No time to read some days	21
Past delivery problems	29

Which days do they buy? Outside of Saturday (when quite a few dailies don't publish), single-copy buying is pretty evenly distributed:

Monday	38%
Tuesday	36
Wednesday	42
Thursday	39
Friday	40
Saturday	29

Many buyers said they had specific reasons for buying the paper on specific days of

the week, i.e., Monday for weekend sports results, Wednesday for food advertising and coupons, Friday for weekend entertainment and recreation calendars.

Three-fourths of these weekday single-copy buyers said they almost always or usually took the paper home with them. And fully 30 percent said they had bought some item of merchandise in the previous two weeks specifically because of an ad they had seen in their newspaper.

Thirty-one percent of the single-copy buyers told us they buy a newspaper only on Sundays. There seem to be two main categories of reasons why they buy. One is for specific content—either editorial (e.g., the TV magazine) or advertising (shopping information, classifieds and coupon inserts). The other is that there is more to read in the Sunday paper—and more time to read it. Here's how those reasons break down:

Specific editorial content	47%
More time to read on Sunday	35
Advertising	26
More to read in Sunday paper	18
To catch up on the news	12

Perhaps the most important findings from an advertiser's point of view is how single-copy buyers stack up as potential customers. To get an idea, we measured our respondents' ownership or recent purchase of a number of products and services, and compared the results with Mediabank syndicated data on adults in the top 50 Metropolitan Statistical Areas. Here's how they compare:

	NAB 6-city study	Adults in Top 50 MSAs
Own a car	91%	87%
Bought tires	40	36
Have cable TV	49	44
Have credit card(s)	75	65
Shopped past 30 days		
at K mart	47	44
at Sears	35	36
at Penney's	31	31
Bought jewelry	49	38
Made home improvement purchase	49	46
Shopped for food	94	86

I think this comparison demonstrates that single-copy newspaper buyers are excellent customers and prospects for almost any kind of merchandise. It should be good selling ammunition for you if any one questions the value of single-copy circulation.

A copy of NAB Research Note Number 21, on which this column is based, is available free to NAB members. Non-members can obtain a copy by sending a check for \$8.75 to the Research Department, Newspaper Advertising Bureau, 1180 Avenue of the Americas, New York, N.Y. 10036. □

Readership leads list of concerns at Canada dailies

The Canadian Daily Newspaper Publishers Association has been told by members that its key goal should be retaining and increasing readership, according to a new survey.

Additionally, the members said they are concerned about competition for advertising and about the newspaper industry's relatively slow response to overall competition for readers and advertisers.

Generally, members told the association they want it to be a leader by being more aggressive and by presenting a higher profile both inside and outside the industry.

The CDNPA survey was conducted earlier this year by the research firm Urban & Associates of Sharon, Mass. Questionnaires were sent to 500 people in various departments of member newspapers, which resulted in 283 responses. In addition, 33 publishers and other key executives were interviewed.

Even though daily newspaper circulation in Canada has been growing—by 11 percent in 1988, due largely to the introduction of new tabloids—overall household penetration has declined, said CDNPA President John E. Foy.

He said that over the last 20 years household penetration has dropped from 80 percent to 63 percent.

CDNPA, which has 83 newspaper members, was also told to guard against judicial, regulatory and legislative encroachment into the newspaper business. Respondents said they felt such efforts will increase.

In a related matter, the association is likely to seek exemption for its members from a national goods and services tax to be proposed by the government of Prime Minister Brian Mulroney.

The tax, which the government says is needed to help alleviate a \$35-billion national deficit, is expected to be proposed to Canada's Parliament next January by Finance Minister Michael Wilson.

Wilson said in April that the tax would be at a rate of 9 percent and would take effect Jan. 1, 1991. It would replace Canada's current sales tax of 8 to 18 percent on manufactured and processed goods.

Under the proposed measure, newspapers would have to pay taxes on newsprint and machinery and marketing of services, whereas under the sales tax they are exempt in these areas. The proposed tax would work much like a value-added tax; that is, businesses throughout the production and distribution chain would charge the tax on their sales. □

Standen, president of the Newspaper Advertising Bureau in New York City, is a regular contributor to presstime.

U.S. dailies' annual consumption drops slightly

Daily newspapers in the United States consumed 9,050,472 metric tons of newsprint in 1988, 0.8-percent less than a year earlier.

ANPA's annual state-by-state survey of dailies' newsprint consumption also shows that Vermont had the largest percentage increase between 1987 (8,523 tons) and 1988 (9,369), 9.9 percent. Next highest were Arkansas (6.8 percent), Nevada (4.2 percent), Florida (3.7 percent) and Maine (3.2 percent). Florida had the biggest increase in tonnage used, 21,666.

California led the nation in total consumption—1,297,883 tons, 14.3 percent of the national total.

There were net decreases in consumption in 34 states. New Mexico had the largest percentage decrease, 7.7 (2,222 tons).

New York had the biggest decrease in tonnage, 28,235.

Regionally, the South recorded the only increase in newsprint use between 1987 (2,823,986 tons) and 1988 (2,831,667)—0.3 percent. The Northeast had a decline of 1.8 percent, the North Central states, 1.6, and the West, 0.4.

The annual ANPA survey [presstime, Aug. 1988, p. 62] covered 1,739 general-circulation daily newspapers as well as some foreign-language, college and special-service dailies such as trade newspapers. Together, they accounted for 73.4 percent of 1988's estimated newsprint consumption by all U.S. users of a record 12,337,000 tons—an increase of 0.1 percent from 1987's figure of 12,323,000.

The 0.8-percent decrease in consump-

tion by U.S. dailies supersedes a preliminary estimate that had indicated an increase of 0.9 percent [presstime, April 1989, p. 78]. The preliminary estimate was derived from data supplied by newspapers in ANPA's statistical sample. The new consumption report was based on a survey of every U.S. daily newspaper. □

Demand in U.S. falls slightly

Newsprint demand in the United States decreased six-tenths of a percent last year from 12.5-million metric tons in 1987 to 12.4-million tons, according to an annual survey by the Canadian Pulp and Paper Association.

The results, published in CPPA's "Newsprint Data '88" booklet, also showed that Japan led the world last year in absolute growth of newsprint capacity—a net increase of 395,000 metric tons, about 14-percent more than in 1987. Japan accounted for the world's second-greatest demand, 3.4-million tons. Demand equals consumption plus inventories.

Sweden had the second-largest capacity increase, 215,000 tons, or about 10 percent more; it was followed by Canada with an additional 160,000 tons, about 2 percent more than the previous year. Capacity grew by 100,000 tons in the United States, also about 2-percent more than in 1987.

Canada remained comfortably in first place for production with 10-million tons in 1988. The United States was second at 5.4-million and Japan third at 3.1 million.

The United States was the leading importer of newsprint, buying 7.4-million tons. Britain was second with 1.4 million and West Germany third with 886,000.

Canada exported the most newsprint, 8.6-million tons. Sweden and Finland were second and third with 1.7-million tons and 1.1-million tons, respectively.

Among other statistics in the CPPA report:

- World newsprint demand increased 4.2 percent last year to 31.7-million tons. World demand was 93.2 percent of capacity, the same as in 1987.

- World capacity was 34-million tons, a 3.9-percent increase.

- Canada's share of world capacity decreased over 1978-88 from 35 percent to 29.7 percent.

Copies of the report are available from ANPA's Newsprint Department at The Newspaper Center, Reston, Va. □

State-by-state newsprint consumption by U.S. daily newspapers*

	1987	1988	% change		1988	1987	% change
Alabama	74,994	76,920	-2.5	Montana	12,418	12,299	1.0
Alaska	16,792	18,155	-7.5	Nebraska	46,152	46,067	0.2
Arizona	138,847	146,146	-5.0	Nevada	46,663	44,799	4.2
Arkansas	63,744	59,697	6.8	New Hampshire	23,409	23,878	-2.0
California	1,297,883	1,285,435	1.0	New Jersey	391,788	395,041	-0.8
Colorado	180,904	188,544	-4.1	New Mexico	26,764	28,986	-7.7
Connecticut	116,945	120,126	-2.6	New York	934,795	963,030	-2.9
Delaware	17,322	18,721	-7.5	North Carolina	171,469	170,114	0.8
District of Columbia	260,082	254,302	2.3	North Dakota	12,412	13,350	-7.0
Florida	613,696	592,030	3.7	Ohio	338,555	345,066	-1.9
Georgia	209,790	208,614	0.6	Oklahoma	71,646	71,216	0.6
Hawaii	28,812	30,956	-6.9	Oregon	94,170	93,806	0.4
Idaho	15,371	15,521	-1.0	Pennsylvania	423,572	429,585	-1.4
Illinois	451,592	456,119	-1.0	Rhode Island	44,155	43,541	1.4
Indiana	149,188	148,214	0.7	South Carolina	72,606	72,988	-0.5
Iowa	72,435	74,023	-2.1	South Dakota	10,843	10,895	-0.5
Kansas	41,464	41,935	-1.1	Tennessee	121,824	120,417	1.2
Kentucky	70,253	71,442	-1.7	Texas	637,495	659,329	-3.3
Louisiana	109,475	111,279	-1.6	Utah	33,734	35,202	-4.2
Maine	27,934	27,079	3.2	Vermont	9,369	8,523	9.9
Maryland	124,154	124,442	-0.2	Virginia	146,644	144,773	1.3
Massachusetts	324,994	328,674	-1.1	Washington	139,229	139,349	-0.09
Michigan	322,040	333,828	-3.5	West Virginia	31,381	32,284	-2.8
Minnesota	135,277	135,663	-0.3	Wisconsin	130,485	130,532	-0.04
Mississippi	35,092	35,417	-0.9	Wyoming	5,962	6,119	-2.6
Missouri	173,852	180,190	-3.5	Total	9,050,472	9,124,666	-0.8

Regional newsprint consumption by U.S. daily newspapers*

	1988		1987		% change
	Number of newspapers	Consumption	Number of newspapers	Consumption	
Northeast	299	2,296,960	302	2,339,477	-1.8
North Central	549	1,884,295	540	1,915,886	-1.6
South	583	2,831,667	580	2,823,986	0.3
West	309	2,037,590	304	2,045,317	-0.4
Total	1,739	9,050,472	1,726	9,124,666	-0.8
Total consumption by all U.S. users		12,337,000		12,323,000	0.1

*Metric tons

Publishers lead in 1989 salary increases, second annual compensation survey shows

Publishers in the United States and Canada are drawing an average annual base salary of \$105,763 this year, up 7.8 percent from \$101,608 a year ago, for the greatest jump in pay among top newspaper executive slots, according to ANPA's second annual Newspaper Industry Compensation Survey.

The publishers' average total direct pay, which includes incentive awards, increased 5.7 percent, from \$120,766 to \$125,461, since last year's inaugural survey (press-time, Aug. 1988, p. 64).

However, the highest base pay for a publisher reported was \$450,000 a year, down from \$504,000 in 1988, and the highest total direct compensation also declined, from \$741,417 to \$680,000.

The 1989 survey includes salaries for 62 categories of jobs reported by 526 dailies. Last year, it encompassed 59 job categories taken from 583 responding newspapers. The comparative percentages are based solely on newspapers that returned questionnaires for both years, the survey's researchers said.

"The 526 newspapers are a good representative sample by circulation and by geographic distribution of the total ANPA membership," the researchers affirm in their introduction to the survey. The survey's purpose "is to provide comprehensive pay data that will enable newspapers to compare their compensation levels geographically, by circulation size, and with the newspaper industry as a whole."

Professor Herve A. Jurs of the Kellogg Graduate School of Management at Northwestern University and Robert J. Greene of Touche Ross and Co. supervised both years' surveys, and the information was processed at the research department of the Inland Press Association in Park Ridge, Ill.

Data compiled in the 1989 survey show the average base salaries for all top management positions increased. (See accompanying charts.) So did total direct pay for these high-level positions. However, these increases for the most part were smaller.

"In general, bonus and incentive plans did not pay off as well in a down year for the industry," Jurs said.

The top operations, or production, executive received the greatest percentage increase among newspaper executives in average total direct pay: up 8.2 percent from \$57,230 to \$62,289. The average base pay for that position rose 7.5 percent from \$51,293 to \$56,379.

Publisher							
Number of newspapers reporting: 348							
Summary results							
	Lowest	Median	Average	Highest			
1989 base pay	\$25,592	\$90,000	\$105,763	\$450,000			
1988 base pay	21,000	85,000	101,608	504,000			
1989 total direct compensation	25,592	101,850	125,461	680,000			
1988 total direct compensation	21,000	96,900	120,766	741,417			
By circulation							
Number of newspapers	Average number of employees supervised	1989 base pay			Total direct compensation (base plus incentive)		
		Range midpoint ¹	Median	Average	Median	Average	
5,000 or less	7	64	\$ nad ²	\$ 46,000	\$ 54,109	\$ 54,000	\$ 62,624
5,001-10,000	37	41	48,000	51,000	57,537	63,000	69,091
10,001-15,000	49	63	66,000	62,000	71,847	75,000	84,490
15,001-20,000	39	98	66,000	70,000	79,168	82,000	88,827
20,001-30,000	54	114	86,000	80,000	90,950	94,400	102,800
30,001-50,000	57	198	96,000	96,000	104,032	113,404	118,804
50,001-75,000	37	291	109,000	105,000	114,864	125,000	134,001
75,001-100,000	16	406	122,000	124,500	134,381	137,106	157,579
100,001-150,000	19	485	125,500	140,000	146,994	165,302	177,922
150,001-250,000	18	959	153,000	180,000	192,430	220,250	241,433
250,001-500,000	6	1,932	nad ²	263,000	232,974	309,300	276,351
500,001 and over	9	2,657	nad ²	290,000	310,483	350,000	430,516

Editor

Number of newspapers reporting: 340

Summary results

	Lowest	Median	Average	Highest
1989 base pay	\$16,500	\$34,750	\$62,998	\$239,295
1988 base pay	15,072	52,000	60,985	275,000
1989 total direct compensation	16,500	57,436	69,976	345,000
1988 total direct compensation	15,072	55,247	70,731	471,000

By circulation

Number of newspapers	Average number of employees supervised	1989 base pay			Total direct compensation (base plus incentive)		
		Range midpoint ¹	Median	Average	Median	Average	
5,000 or less	3	12	\$ nad ²	\$ 25,128	\$ 26,009	\$ 25,128	\$ 26,009
5,001-10,000	26	9	30,000	29,450	30,153	32,096	31,686
10,001-15,000	38	16	36,400	37,376	38,486	38,873	41,091
15,001-20,000	37	23	38,792	40,924	44,377	41,500	46,421
20,001-30,000	55	28	57,000	46,000	47,713	49,000	50,919
30,001-50,000	59	56	66,000	56,368	58,833	61,478	63,457
50,001-75,000	41	61	74,000	64,000	65,944	72,932	71,352
75,001-100,000	20	116	86,000	71,466	75,561	82,645	84,249
100,001-150,000	20	126	86,000	79,274	86,663	96,961	99,150
150,001-250,000	19	219	96,000	100,000	102,985	123,500	117,704
250,001-500,000	11	292	111,904	130,416	134,289	153,865	161,256
500,001 and over	11	488	192,000	178,500	179,554	190,000	223,895

¹Median of midpoints of pay ranges reported

²Not sufficient data—fewer than three newspapers reported

The data processing executive received the smallest boost in average base salary, up 3.1 percent to \$42,621 this year, as well as the smallest increase in average total direct pay, up 1.4 percent to \$45,006.

The survey documented these increases in average base salaries for other key executives:

- For the editor, up 4.7 percent to \$62,998.

- For the top circulation executive, up 3.3 percent to \$45,154.

- For the top human resources executive, up 7 percent to \$50,699.

This year's survey also shows increases in the average base pay for other levels of editorial, operations, and sales and marketing jobs. For instance, average base pay for managing editors rose by 4.7 percent, for pressroom superintendents, 5 percent, for creative services managers, 7.5 percent, and for circulation district sales managers, 1.2 percent.

Overall, pay for executives rose approximately 5.5 percent since the 1988 survey, while pay for manager-level personnel increased about 5 percent.

Pay for non-managerial positions also rose:

- Entry-level reporters, up 6 percent to \$19,952.

- Copy editors, up 5.1 percent to \$31,437.

- Advertising artists/copy writers, up 4.2 percent to \$24,539.

The study breaks down the information by region and circulation category.

Newspapers with higher circulations predictably pay higher salaries to their top management team.

For instance, publishers running dailies with a circulation of more than a half million make an average of \$310,483 a year in base salary, while those at papers with a circulation of 5,000 or less draw an average of \$54,109. Newspapers in the circulation category of 100,001-150,000 pay their publishers an average of \$146,994.

By the same token, the average annual base pay for top editors in the 1989 survey is \$26,009 at dailies of 5,000 or less circulation, \$86,663 at papers of 100,001-150,000 circulation, and \$179,554 at papers with a circulation of 500,001 or more.

In regional comparisons, the Middle Atlantic area emerged as the most generous in its yearly base pay for publishers at \$133,682, beating out second-place New England and the third-place Pacific region that had ranked first a year ago.

Canada, classified as one of 10 "regions," was fourth, and in last place were the western Midwest states of Iowa, Kansas, Missouri, Nebraska, North Dakota and South Dakota with an average base pay of \$78,492 for publishers.

Because of variances in the experience, skills and performance of employees, the survey takers caution that "individuals at a particular newspaper could properly be paid 15-20 percent above or below the average rate for their job as shown in this survey."

In addition, they advise, a good pay plan prices jobs competitively within a relevant labor market.

Top advertising executive

Number of newspapers reporting: 408

Summary results

	Lowest	Median	Average	Highest
1989 base pay	\$15,000	\$46,000	\$50,388	\$160,000
1988 base pay	15,000	41,800	47,685	175,000
1989 total direct compensation	18,314	50,000	56,691	173,423
1988 total direct compensation	18,304	44,980	54,618	323,916

By circulation

Number of newspapers	Average number of employees supervised	1989 base pay			Total direct compensation (base plus incentive)	
		Range midpoint ¹	Median	Average	Median	Average
5,000 or less	7	13	\$ nsd ²	\$ 22,581	\$ 27,940	\$ 28,000
5,001-10,000	45	7	27,040	27,535	27,645	30,420
10,001-15,000	47	10	36,400	31,562	33,768	38,272
15,001-20,000	47	16	36,400	36,500	37,742	40,523
20,001-30,000	63	20	57,000	41,933	42,375	46,280
30,001-50,000	66	35	49,550	48,438	51,180	54,320
50,001-75,000	43	46	74,000	56,180	58,802	63,325
75,001-100,000	21	60	86,000	66,000	67,149	70,200
100,001-150,000	28	80	71,500	65,535	67,862	68,937
150,001-250,000	20	138	96,000	85,950	85,221	100,251
250,001-500,000	15	203	96,000	101,500	98,248	115,365
500,001 and over	6	184	nsd ²	111,725	115,524	126,940

Top circulation executive

Number of newspapers reporting: 472

Summary results

	Lowest	Median	Average	Highest
1989 base pay	\$13,000	\$39,560	\$45,154	\$157,500
1988 base pay	9,500	36,400	42,056	225,000
1989 total direct compensation	13,000	41,852	49,639	232,500
1988 total direct compensation	9,500	38,500	46,435	275,000

By circulation

Number of newspapers	Average number of employees supervised	1989 base pay			Total direct compensation (base plus incentive)	
		Range midpoint ¹	Median	Average	Median	Average
5,000 or less	8	23	\$ nsd ²	\$ 18,100	\$ 21,929	\$ 19,300
5,001-10,000	49	8	24,882	22,500	23,742	24,110
10,001-15,000	62	12	32,700	27,780	28,642	28,970
15,001-20,000	54	20	37,550	34,310	34,062	36,753
20,001-30,000	74	24	36,192	36,745	36,151	38,936
30,001-50,000	74	42	51,800	42,685	44,821	47,825
50,001-75,000	48	60	66,000	52,400	52,243	56,617
75,001-100,000	24	107	64,100	61,850	61,851	66,650
100,001-150,000	28	150	66,118	62,399	64,198	70,661
150,001-250,000	22	309	86,000	74,500	75,166	83,787
250,001-500,000	15	448	94,632	88,500	88,480	109,500
500,001 and over	14	890	128,000	114,500	114,030	131,750

Employee Relations

"A good pay plan should also provide for pay equity among like jobs within an organization and sufficient pay differences between levels so that employees strive for advancement," Juris and Greene said in their report.

Copies of the report are scheduled to be mailed this summer to all newspapers that participated in the survey, said Barbara M. Rotherham, ANPA administrator. Dailies that did not take part in either the 1988 or 1989 study may also receive a copy if they sign a letter of intent to provide information for the next annual compensation survey, she said. For further information, contact Rotherham at The Newspaper Center in Reston, Va., (703) 648-1031.

Also available are customized reports that allow a newspaper to request data from 10 to 20 newspapers according to metro-area size, narrow geographical region, specific market or other criteria. The information will be compiled in summary form to ensure the anonymity of the study participants.

Such reports can be ordered at a cost of \$250 per report directly from the Inland Press Association, 777 Busse Highway, Park Ridge, Ill. 60068, (312) 696-1140. □

Top operations (production)

Number of newspapers reporting: 320

Summary results

	Lowest	Median	Average	Highest
1989 base pay	\$19,003	\$49,000	\$56,379	\$220,000
1988 base pay	10,000	45,427	51,293	255,000
1989 total direct compensation	19,220	53,925	62,289	280,000
1988 total direct compensation	10,000	49,000	57,230	353,250

By circulation

Number of newspapers	Average number of employees supervised	1989 base pay			Total direct compensation (base plus incentive)	
		Range midpoint ¹	Median	Average	Median	Average
5,000 or less	2	nsd ²	S	nsd ²	S	nsd ²
5,001-10,000	19	13	28,570	28,496	29,151	30,250
10,001-15,000	26	19	40,000	33,800	34,201	35,269
15,001-20,000	29	33	40,000	41,000	40,033	43,000
20,001-30,000	38	42	53,000	40,530	41,554	43,637
30,001-50,000	64	61	53,000	47,050	50,327	51,128
50,001-75,000	42	89	51,050	54,000	55,209	58,650
75,001-100,000	21	141	74,000	65,000	68,065	73,202
100,001-150,000	26	171	74,000	63,000	65,297	73,804
150,001-250,000	22	278	86,000	80,499	78,710	88,064
250,001-500,000	17	590	91,736	83,512	92,558	100,000
500,001 and over	14	1,073	127,000	128,007	129,487	149,759

Guild gets city, Sunday editors

A city editor and Sunday editor who have only limited supervisory duties at the *Scrantonian Tribune* of Scranton, Pa., are not managerial employees and therefore come under the aegis of the local Guild unit, the NLRB ruled.

The Tribune and Scranton Newspaper Guild Local 177 had asked for the clarification of the two employees' status.

Although the two edit reporters' stories, decide which stories to use, write headlines and lay out pages, these decisions are subject to final review by the executive editor, a three-member panel of the board unanimously ruled.

According to the panel, the executive editor "exercises substantial control over even the day-to-day news decisions as to the content of the paper and makes all of the important policy decisions for the paper."

The panel found that the executive editor interviews applicants for reporters' jobs and makes independent decisions on whom to hire. The executive editor also evaluates the work of reporters and makes independent decisions on whether to discipline them.

The three board members made a distinction between small papers and large ones, citing a 1976 NLRB decision involving the now-defunct *Philadelphia Bulletin*.

In that case, the Sunday editor was found to be "directly involved in making funda-

mental changes in the newspaper, chaired weekly policy meetings and dealt directly with the publisher and other top executives."

The Scranton paper, on the other hand, usually has fewer than 10 reporters working on a given day, and the city and Sunday editors "merely require the exercise of news judgment" as opposed to supervisory or managerial authority, the panel said.

Both the Tribune and the Guild local had asked for a unit-clarification decision on a number of circulation and editorial department employees more than two years ago.

In September 1987, an NLRB acting regional director decided that the city editor, Sunday editor, assistant circulation manager, circulation supervisor and circulation district managers were managerial employees and therefore should be excluded from the Guild unit.

Eight other employees, all Guild-unit members whose status was also under question, were dismissed from the petition by the regional director.

At the request of both the company and the union, the NLRB on Oct. 3, 1988, granted a review of the decision but only with respect to the city editor and Sunday editor. All other decisions of the acting regional director were accepted without review. □

Union coalition targets Knight-Ridder

More than 80 members of four major newspaper unions met in St. Paul to work out plans for coordinated bargaining at Knight-Ridder Inc. papers.

The unions—The Newspaper Guild, the Communications Workers of America, the Graphic Communications International Union and the Teamsters—formed a coalition last Feb. 20 "to counter the increasingly negative union and employee relations policies emerging in several newspaper chains," in the words of The Guild Reporter newspaper.

The coalition, called the Newspaper Industry Coordinating Committee, previously had targeted coordinating efforts at newspapers owned by McClatchy Newspapers, The Copley Press Inc. and MediaNews Group [*presstime*, April 1989, p. 55].

During the meeting June 25-26, dozens of union members engaged in informational picketing in front of the St. Paul Pioneer Press Dispatch. A Guild spokesman said the St. Paul daily was singled out only because it is a Knight-Ridder paper published where the coalition met—not because of any local issues.

Guild President Charles B. Dale chaired one of several sessions in which tactics were discussed for battling "hostile management," but the tactics were not disclosed publicly. □

NOTE

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Cov. 1, Pgs. 2, 5, 69
